

and supervisory information remains protected.

The end result of this bill will be more transparent and open data sources and data that is readily comparable across businesses and sectors.

This is a win-win for regulators, for investors, for the public, for accuracy, and for industry.

For regulators, they will more easily be able to analyze and search the data its regulated entities are reporting. This will improve efficiency and overall government operations.

For investors, open-data publications will allow for easy searchability and comparability of companies and sectors, empowering investors to act on up-to-date information.

Industries will be able to automatically report required information using software in the format required by their regulators.

Mr. Speaker, the Financial Transparency Act builds on past congressional efforts to make data more accessible, useful, and more accurate.

This has clear benefits for our regulators, investors, and market participants and would improve the ability of our regulators to monitor financial stability and therefore the safety and soundness of our financial markets.

Before I close, I want to take a moment to thank Ranking Member McHENRY and his staff for their work and coordination on this important effort. I also want to thank Chairwoman WATERS and her staff for working with me on advancing this bill.

This was truly a bipartisan effort, and we would not be here without everyone working in the same direction.

Mr. Speaker, I urge all of my colleagues to join me in supporting the Financial Transparency Act.

Ms. WATERS. Mr. Speaker, I have no further speakers, and I am prepared to close. I reserve the balance of my time until Mrs. WAGNER yields.

Mrs. WAGNER. Mr. Speaker, I urge my colleagues to support H.R. 2989, and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, I would again like to state that I support this bipartisan bill. The Financial Transparency Act of 2021 helps modernize our regulatory framework so that government, private industry, and the public all benefit.

Now more than ever, it makes sense for Congress to harness technology in a manner that provides greater transparency, accountability, and efficiency, and this bill does exactly that.

I want to thank Representative MALONEY and Ranking Member McHENRY for working with my staff in a bipartisan manner to get this bill across the finish line.

Mr. Speaker, I yield back the balance of my time.

Mr. McHENRY. Mr. Speaker, I rise in strong support of H.R. 2989, the Financial Transparency Act of 2021, introduced by my friend and colleague, Mrs. MALONEY.

I appreciate all her hard work on this important bill over the last six years to help make

data more available to Americans and establish a framework to reduce regulatory compliance costs.

We can all agree that data is important.

In the 21st century, data is critical to growing our knowledge-based economy.

Reliable data not only drives decisions in the private sector, but it also drives decisions within the federal government.

Yet, data is only useful if one (1) can find it and (2) understand it.

Trying to access data within the federal government, and in particular financial services sector, is even more difficult.

Data is collected, maintained, and disclosed by the federal government in outdated formats.

Moreover, the silos in the federal government and within the financial services industry can make it more difficult for Americans to access useful information.

H.R. 2989, the Financial Transparency Act of 2021, brings the regulators and the financial industry into the 21st century.

This bill will require our regulatory agencies to work together to establish data standards for regulatory reporting and to post the information online in a publicly accessible format. This bill applies to information the agencies already collect under current law.

This bill signals Congress' intent to have the information be unambiguously identified in machine-readable data formats.

Automating how data is handled will make it easier for oversight agencies to quickly identify what needs further investigation, keeping small issues from becoming bigger ones, and allowing us to use government resources more wisely and efficiently.

Automating how data is handled will allow regulated entities to automate much of their reporting processes.

It is also important to note what this bill does not do.

H.R. 2989 does not support any particular technology. Nothing needs to be invented to satisfy this bill. There are a range of technologies available that have been developed exactly for these needs in the US and globally.

It does not change what gets reported. That is, it explicitly leaves to the agencies control over their disclosure requirements.

Passage of the Financial Transparency Act is long overdue.

I applaud my friend, Congresswoman MALONEY, for her unwavering commitment to foster more transparency of the data collected by our federal government and increase the efficiency for everyone who generates, collects, and uses the information collected by our financial regulators.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 2989, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. WEBER of Texas. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

## FINANCIAL EXPLOITATION PREVENTION ACT OF 2021

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2265) to amend the Investment Company Act of 1940 to postpone the date of payment or satisfaction upon redemption of certain securities in the case of the financial exploitation of specified adults, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2265

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Exploitation Prevention Act of 2021".

### SEC. 2. REDEMPTION OF CERTAIN SECURITIES POSTPONED.

(a) IN GENERAL.—Section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a-22) is amended by adding at the end the following:

“(h) REQUIREMENTS WITH RESPECT TO NON-INSTITUTIONAL DIRECT AT-FUND ACCOUNTS.—

“(1) ELECTION.—

“(A) IN GENERAL.—A registered open-end investment company and a transfer agent described under paragraph (2) may elect to comply with the requirements under paragraph (2) and subsection (i) by notifying the Commission of such election.

“(B) EFFECT OF ELECTION.—Paragraph (2) and subsection (i) shall only apply to a registered open-end investment company and a transfer agent that have made the election under subparagraph (A).

“(2) REQUIREMENTS.—In the case of a customer who is a holder of a non-institutional account held directly with a registered open-end investment company and serviced by a transfer agent (a ‘direct-at-fund account’), the company and transfer agent shall—

“(A) request from such customer the name and contact information of at least one individual who—

“(i) is at the time of such request an adult; and

“(ii) may be contacted with respect to such account;

“(B) document and retain the information received pursuant to subparagraph (A); and

“(C) disclose to such customer in writing (including through electronic delivery) that such company or transfer agent may contact an individual specified pursuant to subparagraph (A) with respect to the account of such customer to—

“(i) address possible financial exploitation of such customer;

“(ii) confirm the contact information or health status of the customer; or

“(iii) identify any legal guardian, executor, trustee, or holder of a power of attorney of the customer.

“(i) REDEMPTION OF CERTAIN SECURITIES POSTPONED.—

“(1) IN GENERAL.—Notwithstanding subsection (e), a registered open-end investment company or a transfer agent acting on behalf of such company may postpone the date of payment or satisfaction upon redemption of any redeemable security in accordance with its terms for more than seven days after the tender of such security to such company or its agent designated for that purpose for redemption if such company or agent reasonably believes that—

“(A) the redemption is requested by a security holder who is a specified adult; and

“(B) financial exploitation has occurred, is occurring, or has been attempted with respect to such redemption.

“(2) DURATION.—

“(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), a registered open-end investment company or a transfer agent acting on behalf of such company may postpone the date of payment or satisfaction upon redemption of a redeemable security under paragraph (1) for a period of not more than 15 business days.

“(B) EXTENSION UPON DETERMINATION OF EXPLOITATION.—The period described in subparagraph (A) may be extended by an additional 10 business days if the registered open-end investment company or a transfer agent acting on behalf of such company—

“(i) reasonably believes that—

“(I) the redemption is requested by a security holder who is a specified adult; and

“(II) financial exploitation has occurred, is occurring, or has been attempted with respect to such redemption;

“(ii) subject to subparagraph (D), not later than 2 days after making a determination under clause (i), notifies the individuals specified by such security holder under subsection (h)(2)(A) in writing (including through electronic delivery) of the extension of the period described in subparagraph (A) under this subparagraph and the reason for such extension;

“(iii) initiates an internal review of the facts and circumstances relating to the determination under clause (i);

“(iv) holds amounts related to the delayed payment or satisfaction upon redemption of the redeemable security in a demand deposit account; and

“(v) documents and retains records related to carrying out clause (iv) and includes such records in the first required account statement of the security holder provided after the date on which the determination is made under clause (i).

“(C) EXTENSION BY GOVERNMENT.—A State regulator, administrative agency of competent jurisdiction, or court of competent jurisdiction may extend the period described in subparagraph (A).

“(D) NOTIFICATION.—

“(i) EXCEPTION.—Subparagraph (B)(ii) shall not apply if a registered open-end investment company or transfer agent acting on behalf of such company reasonably believes that an individual required to be notified under such subparagraph is, has been, or will subject the security holder who identified such individual under subsection (h)(2)(A) to financial exploitation.

“(ii) REASONABLE EFFORTS.—An open-end investment company or transfer agent acting on behalf of such company shall be considered in compliance with subparagraph (B)(ii) if such company or transfer agent makes a reasonable effort to contact the individuals specified by a security holder under subsection (h)(2)(A).

“(E) INTERNAL PROCEDURES.—An open-end investment company or transfer agent acting on behalf of such company shall establish procedures to carry out the requirements under this subsection, including procedures—

“(i) related to the identification and reporting of matters related to the financial exploitation of specified adults;

“(ii) to determine whether to release or reinvest delayed redemption proceeds, taking into account the facts and circumstances of each case, should the internal review under subparagraph (B)(iii) support the reasonable belief described in subparagraph (B)(i);

“(iii) identifying each employee of the company or transfer agent with authority to establish, extend, or terminate a period described in paragraph (1) or subparagraph (A);

“(iv) in the case of a transfer agent, that are reasonably designed to ensure that the employees of such transfer agent comply with this subsection; and

“(v) in the case of an open-end investment company, establishing periodic reporting requirements under which a transfer agent acting on behalf of such company shall notify such company of—

“(I) each extension under subparagraph (B) authorized by such transfer agent;

“(II) each finding by the transfer agent under subparagraph (B)(i);

“(III) each notification under subparagraph (B)(ii) carried out by such transfer agent; and

“(IV) the results of each internal review initiated by the transfer agent under subparagraph (B)(iii).

“(F) INFORMATION INCLUDED IN CERTAIN STATEMENTS.—An open-end investment company shall include in each prospectus or statement of additional information a notification that the company or transfer agent acting on behalf of such company may postpone redemption of certain securities under this subsection.

“(G) RECORD RETENTION.—An open-end investment company or transfer agent acting on behalf of such company shall—

“(i) document and retain records of—

“(I) each postponement of redemption under subparagraph (A), (B), and (C);

“(II) each finding under subparagraph (B)(i);

“(III) the name and position of each employee described in subparagraph (E)(iii);

“(IV) each notification carried out under subparagraph (B)(ii); and

“(V) the results of each internal review initiated under subparagraph (B)(iii); and

“(ii) make such records available to the Commission at the request of the Commission.

“(3) SPECIFIED ADULT DEFINED.—In this subsection, the term ‘specified adult’ means—

“(A) an individual age 65 or older; or

“(B) an individual age 18 or older who is a registered open-end investment company or a transfer agent acting on behalf of such company reasonably believes has a mental or physical impairment that renders the individual unable to protect the individual’s own interests.”

(b) RECOMMENDATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this section, the Securities and Exchange Commission, in consultation with the entities specified in paragraph (2), shall submit to Congress a report that includes recommendations regarding the regulatory and legislative changes necessary to address the financial exploitation of security holders who are specified adults (as defined in subsection (i)(3) of section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a–22), as added by this section).

(2) CONSULTATION.—The entities specified in this paragraph are as follows:

(A) The Commodity Futures Trading Commission.

(B) The Director of the Bureau of Consumer Financial Protection.

(C) The Financial Industry Regulatory Authority.

(D) The North American Securities Administrators Association.

(E) The Board of Governors of the Federal Reserve System.

(F) The Comptroller of the Currency.

(G) The Federal Deposit Insurance Corporation.

### SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of

the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentlewoman from Missouri (Mrs. WAGNER) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2265, the Financial Exploitation Prevention Act of 2021, sponsored by the gentlewoman from Missouri (Mrs. WAGNER).

It is not a surprise that adults over the age of 65 are sometimes the targets for financial exploitation and have become victims of financial crimes more than any other demographic. Just last week, in its annual report on elder fraud and abuse, the Department of Justice reported that in 2020 alone, seniors suffered over \$1 billion in financial losses due to fraud.

Unlike other adults, seniors are often dependent on their savings to support them in retirement, making any fraud that much harder to recover from. Brokers and investment managers, who often stand in as the stewards of the savings of seniors, are in a unique position to protect elders from financial crimes.

In 2018, the Securities and Exchange Commission released a policy letter, called a no-action letter, stating that the Commission would not take an enforcement action against the agents of an investment company, including mutual funds, if the person paused a payment or redemption based on the suspicion of financial exploitation. This pause on cashing out the savings of a senior can provide invaluable time to ensure that the redemption is consistent with the will of the senior.

H.R. 2265 would codify this SEC letter. It would also make two further changes to describe how a mutual fund adviser can establish the process at each fund to protect seniors.

I thank Mrs. WAGNER for working with my staff to craft the language in this bill. This is a helpful piece of legislation that will provide one more tool to market participants to protect investors and, in particular, our Nation’s retirees.

I urge Members to support H.R. 2265, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of my bill, H.R. 2265, the Financial Exploitation Prevention Act, a bipartisan bill

that will help us combat the financial exploitation of seniors and other vulnerable adults.

I thank Congressman MCHENRY and Chairwoman WATERS for supporting this important legislation.

Financial exploitation of seniors and other vulnerable adults is a serious and growing problem.

The number of Americans ages 65 and older is projected to nearly double, from 52 million in 2018 to 95 million by 2060. This represents an increase from 16 to 23 percent of the U.S. population being 65 years old and older.

Right now, approximately 44 percent of households headed by a baby boomer and 30 percent of silent generation households own mutual funds.

As more investors age into retirement, the risk of financial exploitation for elderly households only increases. Roughly one in five senior investors are victimized by financial fraud, and those investors lose an estimated \$2.9 billion annually in reported cases and, unfortunately, some estimates indicate that only 1 in 44 cases of financial abuse is ever reported.

□ 1730

My bill proposes a solution to fight elder abuse in the context of mutual funds.

Since some mutual fund shareholder accounts are held directly with a mutual fund and serviced by the fund's transfer agent, or "direct-at-fund" accounts as they are known, the transfer agent is typically responsible for opening and servicing the accounts, maintaining account records, and serving as the fund's point of contact with those shareholders.

Under current law, when a fund's transfer agent suspects financial exploitation in a direct-at-fund account, it cannot lawfully delay the disbursement of redemption proceeds while an investigation occurs.

My legislation codifies a SEC-issued no-action letter from 2018 that permits a mutual fund and its transfer agents to delay the redemption period of a security if it is reasonably believed that a request was made by exploiting seniors or other vulnerable adults.

This will provide our potentially vulnerable investors with an important layer of investor protection to help make sure that they receive the hard-earned savings that they have built up over the years.

Additionally, and importantly, my bill also requires the SEC to report to Congress on additional potential legislative solutions on how to further combat financial exploitation of seniors and vulnerable adults.

This legislation, Mr. Speaker, is needed to provide certainty to protect our seniors, and I strongly urge my colleagues to support the Financial Exploitation Prevention Act.

I am grateful to the chairwoman and to the ranking member and all of the committee that has worked on this in such a bipartisan fashion, Mr. Speaker, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I have no further Democratic speakers, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I again, thank the chairwoman and her team for making this very important piece of legislation that is so important to our seniors and to our vulnerable adults happen.

Again, in 2018, the SEC put this together as something we should be strongly looking at as we move forward. I am pleased we were able to bring it to the floor today in a bipartisan fashion.

I urge all of my colleagues to support my bill, H.R. 2265, the Financial Exploitation Act of 2021, and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 2265, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### AWARDING POSTHUMOUSLY A CONGRESSIONAL GOLD MEDAL COMMEMORATING SERVICEMEMBERS WHO PERISHED IN AFGHANISTAN ON AUGUST 26, 2021

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5142) to award posthumously a Congressional Gold Medal, in commemoration to the servicemembers who perished in Afghanistan on August 26, 2021, during the evacuation of citizens of the United States and Afghan allies at Hamid Karzai International Airport, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5142

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. FINDINGS.

The Congress finds the following:

(1) At 9:44 A.M., on August 26, 2021, the Pentagon confirmed that one explosion occurred at the Hamid Karzai International Airport.

(2) The explosion was confirmed to be a suicide bombing by ISIS-K terrorist group.

(3) Estimates as high as 200 deaths were reported, including 13 servicemembers of the United States, as well as hundreds more wounded.

(4) The attack on Thursday, August 26, 2021, at the Hamid Karzai International Airport in Kabul, Afghanistan, killed 13 United States servicemembers, making it the deadliest single day of the war for the United States in more than a decade.

(5) The American servicemembers went above and beyond the call of duty to protect citizens of the United States and our allies to ensure they are brought to safety in an extremely dangerous situation as the Taliban regained control over Afghanistan.

(6) The American servicemembers exemplified extreme bravery and valor against armed enemy combatants.

(7) The American servicemembers dedicated their lives and their heroism deserves great honor.

(8) Maxton Soviak, Kareem Nikoui, David Espinoza, Rylee McCollum, Jared Schmitz, Hunter Lopez, Taylor Hoover, Daegan William-Tyler Page, Nicole Gee, Humberto Sanchez, Dylan Merola, Johanny Rosario Pichardo, and Ryan Knauss have been identified as the 13 servicemembers who died from the blast while stationed at Hamid Karzai International Airport.

#### SEC. 2. CONGRESSIONAL GOLD MEDALS.

(a) PRESENTATIONS AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate shall make appropriate arrangements for the posthumous presentation, on behalf of the Congress, of a single gold medal of appropriate design in commemoration to the 13 servicemembers who perished in Afghanistan, on August 26, 2021.

(b) DESIGN AND STRIKING.—For the purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall strike a gold medal with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) SMITHSONIAN INSTITUTION.—

(1) IN GENERAL.—Following the award of the gold medal under subsection (a), the gold medal shall be given to the Smithsonian Institution, where it shall be available for display as appropriate and made available for research.

(2) SENSE OF CONGRESS.—It is the sense of Congress that the Smithsonian Institution shall make the gold medal received under paragraph (1) available for display outside of the District of Columbia at times, particularly at other locations associated with the 13 servicemembers who perished in Afghanistan on August 26, 2021.

#### SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses.

#### SEC. 4. STATUS OF MEDALS.

(a) NATIONAL MEDALS.—The medal struck pursuant to this Act is a national medal for purposes of chapter 51 of title 31, United States Code.

(b) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all medals struck under this Act shall be considered to be numismatic items.

#### SEC. 5. AUTHORITY TO USE FUND AMOUNTS; PROCEEDS OF SALE.

(a) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the United States Mint Public Enterprise Fund such amounts as may be necessary to pay for the costs of the medals struck pursuant to this Act.

(b) PROCEEDS OF SALE.—The amounts received from the sale of duplicate bronze medals authorized under section 3 shall be deposited into the United States Mint Public Enterprise Fund.

#### SEC. 6. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.